

STATE OF ILLINOIS

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Facility Name & ID Number Alden Terrace of McHenry Rehab# 0040691 Report Period Beginning: 01/01/2002 Ending: 12/31/2002

III. STATISTICAL DATA

A. Licensure/certification level(s) of care; enter number of beds/bed days,
(must agree with license). Date of change in licensed beds _____

	1	2	3	4	
	Beds at Beginning of Report Period	Licensure Level of Care	Beds at End of Report Period	Licensed Bed Days During Report Period	
1	<u>316</u>	Skilled (SNF)		<u>115,340</u>	1
2		Skilled Pediatric (SNF/PED)			2
3		Intermediate (ICF)			3
4		Intermediate/DD			4
5		Sheltered Care (SC)			5
6		ICF/DD 16 or Less			6
7	<u>316</u>	TOTALS		<u>115,340</u>	7

B. Census-For the entire report period.

	1	2	3	4	5	
	Level of Care	Patient Days by Level of Care and Primary Source of Payment				
		Public Aid Recipient	Private Pay	Other	Total	
8	SNF	<u>4,454</u>	<u>641</u>	<u>3,532</u>	<u>8,627</u>	8
9	SNF/PED					9
10	ICF	<u>45,022</u>	<u>4,702</u>	<u>795</u>	<u>50,519</u>	10
11	ICF/DD					11
12	SC					12
13	DD 16 OR LESS					13
14	TOTALS	<u>49,476</u>	<u>5,343</u>	<u>4,327</u>	<u>59,146</u>	14

C. Percent Occupancy. (Column 5, line 14 divided by total licensed
bed days on line 7, column 4.) 51.28%

D. How many bed-hold days during this year were paid by Public Aid?

none (Do not include bed-hold days in Section B.)E. List all services provided by your facility for non-patients.
(E.g., day care, "meals on wheels", outpatient therapy)none

F. Does the facility maintain a daily midnight census?

yesG. Do pages 3 & 4 include expenses for services or
investments not directly related to patient care?YES ☐ NO ☒

H. Does the BALANCE SHEET (page 17) reflect any non-care assets?

YES ☐ NO ☒

I. On what date did you start providing long term care at this location?

Date started 03/01/95

J. Was the facility purchased or leased after January 1, 1978?

YES ☒ Date 03/01/95 NO ☐

K. Was the facility certified for Medicare during the reporting year?

YES ☒ NO ☐ If YES, enter number
of beds certified 49 and days of care provided 3,424Medicare Intermediary Administar Federal

IV. ACCOUNTING BASIS

ACCRUAL ☒ MODIFIED CASH* ☐ CASH* ☐Is your fiscal year identical to your tax year? YES ☒ NO ☐Tax Year: 12/31/02 Fiscal Year: 12/31/02

* All facilities other than governmental must report on the accrual basis.

STATE OF ILLINOIS

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Facility Name & ID Number Alden Terrace of McHenry Rehab # 0040691 Report Period Beginning: 01/01/2002 Ending: 12/31/2002

V. COST CENTER EXPENSES (throughout the report, please round to the nearest dollar)

	Operating Expenses	Costs Per General Ledger				Reclass-ification 5	Reclassified Total 6	Adjust-ments 7	Adjusted Total 8	FOR OHF USE ONLY		
		Salary/Wage 1	Supplies 2	Other 3	Total 4					9	10	
	A. General Services											
1	Dietary	219,721	41,161	6,000	266,882	909	267,791		267,791			1
2	Food Purchase		397,128		397,128	(41,051)	356,077	(702)	355,375			2
3	Housekeeping	143,614	28,764		172,378	731	173,109		173,109			3
4	Laundry	64,118	19,613		83,731		83,731		83,731			4
5	Heat and Other Utilities			186,108	186,108		186,108	(2,122)	183,986			5
6	Maintenance	55,237		143,621	198,858	7,290	206,148	17,080	223,228			6
7	Other (specify):*											7
8	TOTAL General Services	482,690	486,666	335,729	1,305,085	(32,121)	1,272,964	14,256	1,287,220			8
	B. Health Care and Programs											
9	Medical Director			14,400	14,400		14,400		14,400			9
10	Nursing and Medical Records	2,431,239	140,198	7,584	2,579,021	1,529	2,580,550	(6,226)	2,574,324			10
10a	Therapy	80,145			80,145		80,145		80,145			10a
11	Activities	98,412	4,534	3,697	106,643	14	106,657		106,657			11
12	Social Services	41,946			41,946		41,946		41,946			12
13	Nurse Aide Training											13
14	Program Transportation											14
15	Other (specify):*											15
16	TOTAL Health Care and Programs	2,651,742	144,732	25,681	2,822,155	1,543	2,823,698	(6,226)	2,817,472			16
	C. General Administration											
17	Administrative	167,313			167,313		167,313		167,313			17
18	Directors Fees											18
19	Professional Services			666,315	666,315		666,315	(615,314)	51,001			19
20	Dues, Fees, Subscriptions & Promotions			31,521	31,521	(6,976)	24,545	(11,316)	13,229			20
21	Clerical & General Office Expenses	445,404	15,138	54,031	514,573	7,129	521,702	22,340	544,042			21
22	Employee Benefits & Payroll Taxes			399,817	399,817	37,715	437,532	67,270	504,802			22
23	Inservice Training & Education											23
24	Travel and Seminar			3,204	3,204		3,204	12,934	16,138			24
25	Other Admin. Staff Transportation											25
26	Insurance-Prop.Liab.Malpractice			76,974	76,974		76,974		76,974			26
27	Other (specify):* Bad Debt			(197,540)	(197,540)		(197,540)	197,540				27
28	TOTAL General Administration	612,717	15,138	1,034,322	1,662,177	37,868	1,700,045	(326,546)	1,373,499			28
29	TOTAL Operating Expense (sum of lines 8, 16 & 28)	3,747,149	646,536	1,395,732	5,789,417	7,290	5,796,707	(318,516)	5,478,191			29

*Attach a schedule if more than one type of cost is included on this line, or if the total exceeds \$1000.

NOTE: Include a separate schedule detailing the reclassifications made in column 5. Be sure to include a detailed explanation of each reclassification.

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Facility Name & ID Number

Alden Terrace of McHenry Rehab

#0040691

Report Period Beginning:

01/01/2002

Ending:

12/31/2002

V. COST CENTER EXPENSES (continued)

	Capital Expense	Cost Per General Ledger				Reclass- ification 5	Reclassified Total 6	Adjust- ments 7	Adjusted Total 8	FOR OHF USE ONLY		
		Salary/Wage 1	Supplies 2	Other 3	Total 4					9	10	
	D. Ownership											
30	Depreciation					50,556	50,556	14,001	64,557			30
31	Amortization of Pre-Op. & Org.							1,649	1,649			31
32	Interest			304,201	304,201		304,201	(256,892)	47,309			32
33	Real Estate Taxes			203,951	203,951		203,951	4,533	208,484			33
34	Rent-Facility & Grounds			2,397,145	2,397,145		2,397,145	680	2,397,825			34
35	Rent-Equipment & Vehicles			9,069	9,069		9,069	19,244	28,313			35
36	Other (specify):* Mortg. Insurance			57,846	57,846	(57,846)						36
37	TOTAL Ownership			2,972,212	2,972,212	(7,290)	2,964,922	(216,785)	2,748,137			37
	Ancillary Expense											
	E. Special Cost Centers											
38	Medically Necessary Transportation											38
39	Ancillary Service Centers		148,977	240,409	389,386		389,386	(99,996)	289,390			39
40	Barber and Beauty Shops											40
41	Coffee and Gift Shops											41
42	Provider Participation Fee			173,010	173,010		173,010		173,010			42
43	Other (specify):*											43
44	TOTAL Special Cost Centers		148,977	413,419	562,396		562,396	(99,996)	462,400			44
45	GRAND TOTAL COST (sum of lines 29, 37 & 44)	3,747,149	795,513	4,781,363	9,324,025		9,324,025	(635,297)	8,688,728			45

*Attach a schedule if more than one type of cost is included on this line, or if the total exceeds \$1000.

Facility Name & ID Number Alden Terrace of McHenry Rehab

0040691

Report Period Beginning:

01/01/2002

Ending:

12/31/2002

VI. ADJUSTMENT DETAIL

A. The expenses indicated below are non-allowable and should be adjusted out of Schedule V, pages 3 or 4 via column 7.

In column 2 below, reference the line on which the particular cost was included. (See instructions.)

	NON-ALLOWABLE EXPENSES	1 Amount	2 Refer- ence	3 OHF USE ONLY	
1	Day Care	\$		\$	1
2	Other Care for Outpatients				2
3	Governmental Sponsored Special Programs				3
4	Non-Patient Meals				4
5	Telephone, TV & Radio in Resident Rooms				5
6	Rented Facility Space				6
7	Sale of Supplies to Non-Patients				7
8	Laundry for Non-Patients				8
9	Non-Straightline Depreciation				9
10	Interest and Other Investment Income	(302,444)	32		10
11	Discounts, Allowances, Rebates & Refunds				11
12	Non-Working Officer's or Owner's Salary				12
13	Sales Tax	(1,298)	2		13
14	Non-Care Related Interest				14
15	Non-Care Related Owner's Transactions				15
16	Personal Expenses (Including Transportation)				16
17	Non-Care Related Fees				17
18	Fines and Penalties	(6,000)	32		18
19	Entertainment				19
20	Contributions	(50)	20		20
21	Owner or Key-Man Insurance				21
22	Special Legal Fees & Legal Retainers				22
23	Malpractice Insurance for Individuals				23
24	Bad Debt	197,540	27		24
25	Fund Raising, Advertising and Promotional	(5,211)	20		25
26	Income Taxes and Illinois Personal Property Replacement Tax				26
27	Nurse Aide Training for Non-Employees				27
28	Yellow Page Advertising				28
29	Other-Attach Schedule				29
30	SUBTOTAL (A): (Sum of lines 1-29)	\$ (117,463)		\$	30

OHF USE ONLY						
48		49	50	51	52	

B. If there are expenses experienced by the facility which do not appear in the general ledger, they should be entered below.(See instructions.)

		1 Amount	2 Reference	
31	Non-Paid Workers-Attach Schedule*	\$		31
32	Donated Goods-Attach Schedule*			32
	Amortization of Organization &			
33	Pre-Operating Expense			33
	Adjustments for Related Organization			
34	Costs (Schedule VII)	(491,332)		34
35	Other- Attach Schedule	(26,502)	pg 5a	35
36	SUBTOTAL (B): (sum of lines 31-35)	\$ (517,834)		36
	(sum of SUBTOTALS			
37	TOTAL ADJUSTMENTS (A) and (B))	\$ (635,297)		37

*These costs are only allowable if they are necessary to meet minimum licensing standards. Attach a schedule detailing the items included on these lines.

C. Are the following expenses included in Sections A to D of pages 3 and 4? If so, they should be reclassified into Section E. Please reference the line on which they appear before reclassification. (See instructions.)

		1 Yes	2 No	3 Amount	4 Reference	
38	Medically Necessary Transport.		x	\$		38
39			x			39
40	Gift and Coffee Shops		x			40
41	Barber and Beauty Shops		x			41
42	Laboratory and Radiology		x			42
43	Prescription Drugs		x			43
44	Exceptional Care Program		x			44
45	Other-Attach Schedule		x			45
46	Other-Attach Schedule		x			46
47	TOTAL (C): (sum of lines 38-46)			\$		47

Alden Terrace of McHenry Rehab

ID# 0040691

Report Period Beginning: 01/01/2002

Ending: 12/31/2002

Sch. V Line

NON-ALLOWABLE EXPENSES		Amount	Reference	
1	LEGAL FEES-COLLECTIONS	(12,699)	21	1
2	BACK OUT IL. HEALTHCARE ASSOC PAC FEES	(1,210)	20	2
3	BACK OUT MARKETING MGT FEE	(1,955)	20	3
4	BACK OUT MARKETING CONSULTANT	(3,324)	20	4
5	Record add'l def maint exp to correct amt.	7,248	6	5
6	Adj deprec exp to correct to detail	632	30	6
7	Back out utility late fee	(5,826)	5	7
8	back out marketing salary	(9,368)	21	8
9				9
10				10
11				11
12				12
13				13
14				14
15				15
16				16
17				17
18				18
19				19
20				20
21				21
22				22
23				23
24				24
25				25
26				26
27				27
28				28
29				29
30				30
31				31
32				32
33				33
34				34
35				35
36				36
37				37
38				38
39				39
40				40
41				41
42				42
43				43
44				44
45				45
46				46
47				47
48				48
49	Total	(26,502)		49

STATE OF ILLINOIS

Summary A

Facility Name & ID Number Alden Terrace of McHenry Rehab

0040691

Report Period Beginning:

01/01/2002

Ending:

12/31/2002

SUMMARY OF PAGES 5, 5A, 6, 6A, 6B, 6C, 6D, 6E, 6F, 6G, 6H AND 6I

	Operating Expenses	PAGES 5 & 5A	PAGE 6	PAGE 6A	PAGE 6B	PAGE 6C	PAGE 6D	PAGE 6E	PAGE 6F	PAGE 6G	PAGE 6H	PAGE 6I	SUMMARY TOTALS (to Sch V, col.7)	
	A. General Services													
1	Dietary	0	0	0	0	0	0	0	0	0	0	0	0	1
2	Food Purchase	(1,298)	0	0	596	0	0	0	0	0	0	0	(702)	2
3	Housekeeping	0	0	0	0	0	0	0	0	0	0	0	0	3
4	Laundry	0	0	0	0	0	0	0	0	0	0	0	0	4
5	Heat and Other Utilities	(5,826)	0	3,704	0	0	0	0	0	0	0	0	(2,122)	5
6	Maintenance	7,248	0	9,868	0	0	0	(36)	0	0	0	0	17,080	6
7	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	7
8	TOTAL General Services	124	0	13,572	596	0	0	(36)	0	0	0	0	14,256	8
	B. Health Care and Programs													
9	Medical Director	0	0	0	0	0	0	0	0	0	0	0	0	9
10	Nursing and Medical Records	0	0	0	(5,742)	(484)	0	0	0	0	0	0	(6,226)	10
10a	Therapy	0	0	0	0	0	0	0	0	0	0	0	0	10a
11	Activities	0	0	0	0	0	0	0	0	0	0	0	0	11
12	Social Services	0	0	0	0	0	0	0	0	0	0	0	0	12
13	Nurse Aide Training	0	0	0	0	0	0	0	0	0	0	0	0	13
14	Program Transportation	0	0	0	0	0	0	0	0	0	0	0	0	14
15	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	15
16	TOTAL Health Care and Programs	0	0	0	(5,742)	(484)	0	0	0	0	0	0	(6,226)	16
	C. General Administration													
17	Administrative	0	0	0	0	0	0	0	0	0	0	0	0	17
18	Directors Fees	0	0	0	0	0	0	0	0	0	0	0	0	18
19	Professional Services	0	0	(615,314)	0	0	0	0	0	0	0	0	(615,314)	19
20	Fees, Subscriptions & Promotions	(11,750)	0	434	0	0	0	0	0	0	0	0	(11,316)	20
21	Clerical & General Office Expenses	(22,067)	0	26,981	13,615	3,811	0	0	0	0	0	0	22,340	21
22	Employee Benefits & Payroll Taxes	0	0	66,663	0	607	0	0	0	0	0	0	67,270	22
23	Inservice Training & Education	0	0	0	0	0	0	0	0	0	0	0	0	23
24	Travel and Seminar	0	0	12,934	0	0	0	0	0	0	0	0	12,934	24
25	Other Admin. Staff Transportation	0	0	0	0	0	0	0	0	0	0	0	0	25
26	Insurance-Prop.Liab.Malpractice	0	0	0	0	0	0	0	0	0	0	0	0	26
27	Other (specify):*	197,540	0	0	0	0	0	0	0	0	0	0	197,540	27
28	TOTAL General Administration	163,723	0	(508,302)	13,615	4,418	0	0	0	0	0	0	(326,546)	28
29	TOTAL Operating Expense (sum of lines 8,16 & 28)	163,847	0	(494,730)	8,469	3,934	0	(36)	0	0	0	0	(318,516)	29

STATE OF ILLINOIS

Summary B

Facility Name & ID Number Alden Terrace of McHenry Rehab

0040691

Report Period Beginning:

01/01/2002 Ending:

12/31/2002

SUMMARY OF PAGES 5, 5A, 6, 6A, 6B, 6C, 6D, 6E, 6F, 6G, 6H AND 6I

	Capital Expense	PAGES 5 & 5A	PAGE 6	PAGE 6A	PAGE 6B	PAGE 6C	PAGE 6D	PAGE 6E	PAGE 6F	PAGE 6G	PAGE 6H	PAGE 6I	SUMMARY TOTALS (to Sch V, col.7)	
	D. Ownership													
30	Depreciation	632	0	12,564	0	805	0	0	0	0	0	0	14,001	30
31	Amortization of Pre-Op. & Org.	0	0	1,619	0	0	30	0	0	0	0	0	1,649	31
32	Interest	(308,444)	0	50,501	0	635	416	0	0	0	0	0	(256,892)	32
33	Real Estate Taxes	0	0	4,336	0	197	0	0	0	0	0	0	4,533	33
34	Rent-Facility & Grounds	0	0	680	0	0	0	0	0	0	0	0	680	34
35	Rent-Equipment & Vehicles	0	0	19,244	0	0	0	0	0	0	0	0	19,244	35
36	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	36
37	TOTAL Ownership	(307,812)	0	88,944	0	1,637	446	0	0	0	0	0	(216,785)	37
	Ancillary Expense													
	E. Special Cost Centers													
38	Medically Necessary Transportation	0	0	0	0	0	0	0	0	0	0	0	0	38
39	Ancillary Service Centers	0	0	0	(11,329)	(25,012)	(63,655)	0	0	0	0	0	(99,996)	39
40	Barber and Beauty Shops	0	0	0	0	0	0	0	0	0	0	0	0	40
41	Coffee and Gift Shops	0	0	0	0	0	0	0	0	0	0	0	0	41
42	Provider Participation Fee	0	0	0	0	0	0	0	0	0	0	0	0	42
43	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	43
44	TOTAL Special Cost Centers	0	0	0	(11,329)	(25,012)	(63,655)	0	0	0	0	0	(99,996)	44
	GRAND TOTAL COST													
45	(sum of lines 29, 37 & 44)	(143,965)	0	(405,786)	(2,860)	(19,441)	(63,209)	(36)	0	0	0	0	(635,297)	45

Facility Name & ID Number Alden Terrace of McHenry Rehab

0040691

Report Period Beginning: 01/01/2002 Ending: 12/31/2002

VII. RELATED PARTIES (continued)

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth. ☒ YES ☐ NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:	
Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)	
15	V	22 employee benefits	\$	Alden Management Services	100.00%	\$ 66,663	\$ 66,663	15
16	V	19 profess. Fees	627,225	Alden Management Services		11,911	(615,314)	16
17	V	21 g & a		Alden Management Services		26,981	26,981	17
18	V	5 utilities		Alden Management Services		3,704	3,704	18
19	V	6 maintenance		Alden Management Services		9,868	9,868	19
20	V	24 auto/travel		Alden Management Services		12,934	12,934	20
21	V	20 subscriptions/etc		Alden Management Services		434	434	21
22	V	30 depreciation		Alden Management Services		12,564	12,564	22
23	V	31 amortization		Alden Management Services		1,619	1,619	23
24	V	33 real estate tax		Alden Management Services		4,336	4,336	24
25	V	34 rent		Alden Management Services		680	680	25
26	V	35 rent-equip/vehicles		Alden Management Services		19,244	19,244	26
27	V	32 interest		Alden Management Services		50,501	50,501	27
28	V							28
29	V							29
30	V							30
31	V							31
32	V							32
33	V							33
34	V							34
35	V							35
36	V							36
37	V							37
38	V							38
39	Total		\$ 627,225			\$ 221,439	\$ * (405,786)	39

* Total must agree with the amount recorded on line 34 of Schedule VI.

Facility Name & ID Number Alden Terrace of McHenry Rehab

0040691

Report Period Beginning: 01/01/2002 Ending: 12/31/2002

VII. RELATED PARTIES (continued)

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth. ☒ YES ☐ NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:	
Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)	
15	V	2 Tube feeding	\$ 26,704	Pyramid Health Care Services	100.00%	\$ 27,300	\$ 596	15
16	V	10 Nursing supplies	10,185	Pyramid Health Care Services		4,443	(5,742)	16
17	V	39 Per diem/other supplies	27,632	Pyramid Health Care Services		16,303	(11,329)	17
18	V	21 General & admin		Pyramid Health Care Services		13,615	13,615	18
19	V							19
20	V							20
21	V							21
22	V							22
23	V							23
24	V							24
25	V							25
26	V							26
27	V							27
28	V							28
29	V							29
30	V							30
31	V							31
32	V							32
33	V							33
34	V							34
35	V							35
36	V							36
37	V							37
38	V							38
39	Total		\$ 64,521			\$ 61,661	\$ * (2,860)	39

* Total must agree with the amount recorded on line 34 of Schedule VI.

Facility Name & ID Number Alden Terrace of McHenry Rehab

0040691

Report Period Beginning: 01/01/2002 Ending: 12/31/2002

VII. RELATED PARTIES (continued)

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth. ☒ YES ☐ NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:	
Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)	
15	V	39 Drugs	\$ 55,280	Forum Extended Care II	100.00%	\$ 42,380	\$ (12,900)	15
16	V	10 House stock	2,075	Forum Extended Care II		1,591	(484)	16
17	V	39 IV	51,900	Forum Extended Care II		39,788	(12,112)	17
18	V	22 Employee benefits		Forum Extended Care II		607	607	18
19	V	21 G & A		Forum Extended Care II		3,811	3,811	19
20	V	32 Interest		Forum Extended Care II		635	635	20
21	V	33 Real estate taxes		Forum Extended Care II		197	197	21
22	V	30 Depreciation		Forum Extended Care II		805	805	22
23	V							23
24	V							24
25	V							25
26	V							26
27	V							27
28	V							28
29	V							29
30	V							30
31	V							31
32	V							32
33	V							33
34	V							34
35	V							35
36	V							36
37	V							37
38	V							38
39	Total		\$ 109,255			\$ 89,814	\$ * (19,441)	39

* Total must agree with the amount recorded on line 34 of Schedule VI.

Facility Name & ID Number Alden Terrace of McHenry Rehab

0040691

Report Period Beginning: 01/01/2002

Ending: 12/31/2002

VII. RELATED PARTIES (continued)

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth. ☒ YES ☐ NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:
Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)
15	V	39 Therapy	\$ 233,353	Community Physical Therapy	100.00%	\$ 169,698	\$ (63,655) 15
16	V	32 Interest		Community Physical Therapy		416	416 16
17	V	31 Amortization		Community Physical Therapy		30	30 17
18	V						18
19	V						19
20	V						20
21	V						21
22	V						22
23	V						23
24	V						24
25	V						25
26	V						26
27	V						27
28	V						28
29	V						29
30	V						30
31	V						31
32	V						32
33	V						33
34	V						34
35	V						35
36	V						36
37	V						37
38	V						38
39	Total		\$ 233,353			\$ 170,144	\$ * (63,209) 39

* Total must agree with the amount recorded on line 34 of Schedule VI.

Facility Name & ID Number Alden Terrace of McHenry Rehab

0040691

Report Period Beginning: 01/01/2002 Ending: 12/31/2002

VII. RELATED PARTIES (continued)

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth. ☒ YES ☐ NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1 Schedule V	2 Line	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference: Adjustments for Related Organization Costs (7 minus 4)	
		Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization		
15	V	6 maintenance expense	\$ 12,251	Alden Bennett Construction	100.00%	\$ 12,215	\$ (36)	15
16	V							16
17	V							17
18	V							18
19	V							19
20	V							20
21	V							21
22	V							22
23	V							23
24	V							24
25	V							25
26	V							26
27	V							27
28	V							28
29	V							29
30	V							30
31	V							31
32	V							32
33	V							33
34	V							34
35	V							35
36	V							36
37	V							37
38	V							38
39	Total		\$ 12,251			\$ 12,215	\$ *	(36) 39

* Total must agree with the amount recorded on line 34 of Schedule VI.

STATE OF ILLINOIS

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Facility Name & ID Number Alden Terrace of McHenry Rehab # 0040691 Report Period Beginning: 01/01/2002 Ending: 12/31/2002

VII. RELATED PARTIES (continued)

C. Statement of Compensation and Other Payments to Owners, Relatives and Members of Board of Directors.

NOTE: ALL owners (even those with less than 5% ownership) and their relatives who receive any type of compensation from this home must be listed on this schedule.

	1 Name	2 Title	3 Function	4 Ownership Interest	5 Compensation Received From Other Nursing Homes*	6 Average Hours Per Work Week Devoted to this Facility and % of Total Work Week		7 Compensation Included in Costs for this Reporting Period**		8 Schedule V. Line & Column Reference	
						Hours	Percent	Description	Amount		
1	Floyd A Schlossberg	President/CFO		100.00	342,504	2.28	5.70	SALARY	\$ 20,708	17-1	1
2	Lauren Magnussen	Clinical Coordinator		A	86,483	2.28	5.70	SALARY	5,229	17-1	2
3	Terry Magnussen	Maintenance Supr		A	80,923	2.28	5.70	SALARY	4,893	17-1	3
4											4
5											5
6	a. Floyd Schlossberg is the President and sole stockholder of Alden Management Services, Inc.										6
7	b. Lauren Magnusson is the daughter of Floyd Schlossberg. Lauren is a nurse coordinator.										7
8	c. Terry Magnusson is the son-in-law of Floyd Schlossberg. Terry is in maintenance and construction.										8
9											9
10											10
11											11
12											12
13								TOTAL	\$ 30,829		13

* If the owner(s) of this facility or any other related parties listed above have received compensation from other nursing homes, attach a schedule detailing the name(s) of the home(s) as well as the amount paid. THIS AMOUNT MUST AGREE TO THE AMOUNTS CLAIMED ON THE THE OTHER NURSING HOMES' COST REPORTS.

** This must include all forms of compensation paid by related entities and allocated to Schedule V of this report (i.e., management fees).
FAILURE TO PROPERLY COMPLETE THIS SCHEDULE INDICATING ALL FORMS OF COMPENSATION RECEIVED FROM THIS HOME.
ALL OTHER NURSING HOMES AND MANAGEMENT COMPANIES MAY RESULT IN THE DISALLOWANCE OF SUCH COMPENSATION

Facility Name & ID Number Alden Terrace of McHenry Rehab # 0040691 Report Period Beginning: 01/01/2002 Ending: 2/31/2002

VIII. ALLOCATION OF INDIRECT COSTS

A. Are there any costs included in this report which were derived from allocations of central office or parent organization costs? (See instructions.) YES ☒ NO ☐

Name of Related Organization Alden Management Services, Inc.

Street Address 4200 W. Peterson Ave.

City / State / Zip Code Chicago, IL 60646

Phone Number (773) 286-3883

Fax Number (773) 286-3743

B. Show the allocation of costs below. If necessary, please attach worksheets.

1 Schedule V Line Reference	2 Item	3 Unit of Allocation (i.e., Days, Direct Cost, Square Feet)	4 Total Units	5 Number of Subunits Being Allocated Among	6 Total Indirect Cost Being Allocated	7 Amount of Salary Cost Contained in Column 6	8 Facility Units	9 Allocation (col.8/col.4)x col.6	
1	see page 8A (also on page 6A)				\$	\$		\$	1
2									2
3									3
4									4
5									5
6									6
7									7
8									8
9									9
10									10
11									11
12									12
13									13
14									14
15									15
16									16
17									17
18									18
19									19
20									20
21									21
22									22
23									23
24									24
25	TOTALS				\$	\$		\$	25

IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE

A. Interest: (Complete details must be provided for each loan - attach a separate schedule if necessary.)

1		2		3	4	5	6		7	8	9	10	
	Name of Lender	Related**		Purpose of Loan	Monthly Payment Required	Date of Note	Amount of Note		Maturity Date	Interest Rate (4 Digits)	Reporting Period Interest Expense		
		YES	NO				Original	Balance					
	A. Directly Facility Related Long-Term												
1							\$	\$			\$	1	
2												2	
3												3	
4												4	
5												5	
	Working Capital												
6	Related party - Ams	X		Working capital							55,813	6	
7	Related party - FECH	X		Working capital							635	7	
8	Related party - CPT	X		Working capital							416	8	
9	TOTAL Facility Related						\$	\$			\$ 56,864	9	
	B. Non-Facility Related*												
10	offset interest expense with interest income gl 7053										(9,534)	10	
11	offset interest expense with interest income patient accounts										(21)	11	
12												12	
13												13	
14	TOTAL Non-Facility Related						\$	\$			\$ (9,555)	14	
15	TOTALS (line 9+line14)						\$	\$			\$ 47,309	15	

16) Please indicate the total amount of mortgage insurance expense and the location of this expense on Sch. V. \$ _____ Line # _____

* Any interest expense reported in this section should be adjusted out on page 5, line 14 and, consequently, page 4, col. 7.
(See instructions.)

** If there is ANY overlap in ownership between the facility and the lender, this must be indicated in column 2.
(See instructions.)

Facility Name & ID Number Alden Terrace of McHenry Rehab

0040691 Report Period Beginning: 01/01/2002 Ending: 12/31/2002

IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE (continued)

B. Real Estate Taxes

		Important , please see the next worksheet, "RE_Tax". The real estate tax statement and bill must accompany the cost report.			
1. Real Estate Tax accrual used on 2001 report.		\$	210,000	1	
2. Real Estate Taxes paid during the year: (Indicate the tax year to which this payment applies. If payment covers more than one year, detail below.)		\$	203,951	2	
3. Under or (over) accrual (line 2 minus line 1).		\$	(6,049)	3	
4. Real Estate Tax accrual used for 2002 report. (Detail and explain your calculation of this accrual on the lines below.)		\$	210,000	4	
5. Direct costs of an appeal of tax assessments which has NOT been included in professional fees or other general operating costs on Schedule V, sections A, B or C. (Describe appeal cost below. Attach copies of invoices to support the cost and a copy of the appeal filed with the county.)		\$		5	
6. Subtract a refund of real estate taxes. You must offset the full amount of any direct appeal costs classified as a real estate tax cost plus one-half of any remaining refund. TOTAL REFUND \$ For Tax Year. (Attach a copy of the real estate tax appeal board's decision.)		\$		6	
7. Real Estate Tax expense reported on Schedule V, line 33. This should be a combination of lines 3 thru 6.		\$	203,951	7	
Real Estate Tax History:					
Real Estate Tax Bill for Calendar Year:	1997	180,705	8		
	1998	184,317	9		
	1999	189,593	10		
	2000	202,250	11		
	2001	203,951	12		
Accrual based on 3% increase over prior year bill.					
				13	FROM R. E. TAX STATEMENT FOR 2001 \$ 13
				14	PLUS APPEAL COST FROM LINE 5 \$ 14
				15	LESS REFUND FROM LINE 6 \$ 15
				16	AMOUNT TO USE FOR RATE CALCULATION \$ 16

NOTES:

1. Please indicate a negative number by use of brackets(). Deduct any overaccrual of taxes from prior year.
2. If facility is a non-profit which pays real estate taxes, you must attach a denial of an application for real estate tax exemption unless the building is rented from a for-profit entity.
This denial must be no more than four years old at the time the cost report is filed.

IMPORTANT NOTICE

TO: Long Term Care Facilities with Real Estate Tax Rates **RE:** 2001 REAL ESTATE TAX COST DOCUMENTATION

In order to set the real estate tax portion of the capital rate, it is necessary that we obtain additional information regarding your calendar 2001 real estate tax costs, as well as copies of your real estate tax bills for calendar 2001.

Please complete the Real Estate Tax Statement below and forward with a copy of your 2001 real estate tax bill to the Department of Public Aid, Office of Health Finance, 201 South Grand Avenue East, Springfield, Illinois 62763.

Please send these items in with your completed 2002 cost report. The cost report will not be considered complete and timely filed until this statement and the corresponding real estate tax bills are filed. If you have any questions, please call the Office of Health Finance at (217) 782-1630.

2001 LONG TERM CARE REAL ESTATE TAX STATEMENT

FACILITY NAME Alden Terrace of McHenry Rehab COUNTY McHenry

FACILITY IDPH LICENSE NUMBER 0040691

CONTACT PERSON REGARDING THIS REPORT Steven M. Kroll

TELEPHONE 773-286-3883 FAX #: 773-286-3743

A. Summary of Real Estate Tax Cost

Enter the tax index number and real estate tax assessed for 2001 on the lines provided below. Enter only the portion of the cost that applies to the operation of the nursing home in Column D. Real estate tax applicable to any portion of the nursing home property which is vacant, rented to other organizations, or used for purposes other than long term care must not be entered in Column D. Do not include cost for any period other than calendar year 2001.

(A)	(B)	(C)	(D) <u>Tax</u> <u>Applicable to</u> <u>Nursing Home</u>
<u>Tax Index Number</u>	<u>Property Description</u>	<u>Total Tax</u>	
1. <u>09-34-177-006</u>	<u>Nursing home facility</u>	\$ <u>3,002.90</u>	\$ <u>3,002.90</u>
2. <u>09-34-177-009</u>	<u>Nursing home facility</u>	\$ <u>200,727.58</u>	\$ <u>200,727.58</u>
3. <u>09-34-177-010</u>	<u>Nursing home facility</u>	\$ <u>220.46</u>	\$ <u>220.46</u>
4. _____	<u>Related Party - Alden Management</u>	\$ <u>76,052.00</u>	\$ <u>4,336.00</u>
5. _____	<u>Related Party - Forum</u>	\$ <u>8,608.00</u>	\$ <u>197.00</u>
6. _____	_____	\$ _____	\$ _____
7. _____	_____	\$ _____	\$ _____
8. _____	_____	\$ _____	\$ _____
9. _____	_____	\$ _____	\$ _____
10. _____	_____	\$ _____	\$ _____
TOTALS		\$ <u>288,610.94</u>	\$ <u>208,483.94</u>

B. Real Estate Tax Cost Allocations

Does any portion of the tax bill apply to more than one nursing home, vacant property, or property which is not directly used for nursing home services? YES X NO

If YES, attach an explanation & a schedule which shows the calculation of the cost allocated to the nursing home. (Generally the real estate tax cost must be allocated to the nursing home based upon sq. ft. of space used.)

C. Tax Bills

Attach a copy of the 2001 tax bills which were listed in Section A to this statement. Be sure to use the 2001 tax bill which is normally paid during 2002.

X. BUILDING AND GENERAL INFORMATION:

A. Square Feet:
 90,000

B. General Construction Type:
 Exterior
 masonry
 Frame
 Number of Stories
 3

C. Does the Operating Entity?
 ☐ (a) Own the Facility
 ☐ (b) Rent from a Related Organization.
 ☒ (c) Rent from Completely Unrelated Organization.

(Facilities checking (a) or (b) must complete Schedule XI. Those checking (c) may complete Schedule XI or Schedule XII-A. See instructions.)

D. Does the Operating Entity?
 ☐ (a) Own the Equipment
 ☐ (b) Rent equipment from a Related Organization.
 ☒ (c) Rent equipment from Completely Unrelated Organization.

(Facilities checking (a) or (b) must complete Schedule XI-C. Those checking (c) may complete Schedule XI-C or Schedule XII-B. See instructions.)

E. List all other business entities owned by this operating entity or related to the operating entity that are located on or adjacent to this nursing home's grounds (such as, but not limited to, apartments, assisted living facilities, day training facilities, day care, independent living facilities, nurse aide training facilities, etc.) List entity name, type of business, square footage, and number of beds/units available (where applicable).

F. Does this cost report reflect any organization or pre-operating costs which are being amortized?
 ☐ YES
 ☒ NO

If so, please complete the following:

1. Total Amount Incurred:
 2. Number of Years Over Which it is Being Amortized:

3. Current Period Amortization:
 4. Dates Incurred:

Nature of Costs:
 (Attach a complete schedule detailing the total amount of organization and pre-operating costs.)

XI. OWNERSHIP COSTS:

A. Land.

	1	2	3	4	
	Use	Square Feet	Year Acquired	Cost	
1	N/A			\$	1
2					2
3	TOTALS			\$	3

Facility Name & ID Number Alden Terrace of McHenry Rehab

0040691

Report Period Beginning:

01/01/2002 Ending: 12/31/2002

XL OWNERSHIP COSTS (continued)**B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.**

	1 Beds*	2 FOR OHF USE ONLY	3 Year Acquired	4 Year Constructed	5 Cost	6 Current Book Depreciation	7 Life in Years	8 Straight Line Depreciation	9 Adjustments	10 Accumulated Depreciation	
4	Related party-Forum			1978	\$ 18,359	\$	22	\$	\$	\$ 18,359	4
5											5
6											6
7											7
8											8
	Improvement Type**										
9	Climate Service (Ventilation)		1995		1,828	122	15	122		924	9
10	Climate Service (Ventilation)		1995		1,915	128	15	128		958	10
11	Climate Service Controls		1995		2,885	192	15	192		1,443	11
12	Climate Service-Controls		1995		1,251	83	15	83		626	12
13	Climate Service (A/C Motors, Transfomer)		1995		1,840	123	15	123		910	13
14	climate Services Controls		1995		1,200	80	15	80		587	14
15	JD & Sons-Roofing		1995		7,500	750	10	750		5,500	15
16	Grat Lakes Plumbing_Discahrge Pump		1995		3,563	238	15	238		1,742	16
17	Midwest Wlectrical		1995		3,332		5			3,332	17
18	Climate Services, Inc.-Ventilation		1995		2,295	153	15	153		1,097	18
19	CSI-New Pump		1995		1,483	148	10	148		1,051	19
20	Eagle Flag & Banner		1995		680	57	12	57		411	20
21	Equipment International Repair Dishwasher		1996		1,793		5			1,793	21
22	JD & Sons-Roofing		1996		7,700	770	10	770		5,005	22
23	ABC Roof top Condensor		1996		8,668	867	10	867		5,526	23
24	Install Walk in refrigerator		1997		2,177		5			2,177	24
25	Install Ceramic Tile		1997		1,535	26	5	26		1,535	25
26	Engine/generator repaired		1997		3,099	103	5	103		3,099	26
27	New Cylinder		1997		12,800	1,067	5	1,067		12,800	27
28	Instill new condenser		1997		8,166	817	5	817		8,166	28
29	Install new cylinder		1997		15,300	1,530	5	1,530		15,300	29
30	Install Floor tile		1997		4,102	615	5	615		4,102	30
31	HVAC Boiler		1997		5,888	1,079	5	1,079		5,888	31
32	Custom wall plates		1997		386	39	10	39		203	32
33	A&B Custom Cable Wall plates		1997		1,918	192	10	192		1,007	33
34											34
35											35
36											36

*Total beds on this schedule must agree with page 2.

**Improvement type must be detailed in order for the cost report to be considered complete.

See Page 12A, Line 70 for total

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Page 12A

Facility Name & ID Number Alden Terrace of McHenry Rehab

0040691

Report Period Beginning:

01/01/2002 Ending: 12/31/2002

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

	1	2	3	4	5	6	7	8	9	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation		
37	Wigdahl Electric (install new fixtures, relocate outlets)	1998	\$ 1,759	\$ 352	5	\$ 352		\$ 1,759		37
38	Wigdahl Electric (repair lighting, timeclock)	1998	1,853	371	5	371		1,853		38
39	Climate Service (repaired boiler)	1998	16,029	1,603	10	1,603		7,881		39
40	Atash (repair sprinkler system)	1998	1,558	156	10	156		779		40
41	J.D. & Son (roof repair)	1998	10,000	1,000	10	1,000		4,500		41
42	CSI (dietary refrigerator)	1998	1,670	167	10	167		752		42
43	CSI (sump cover)	1998	4,900	490	10	490		2,123		43
44	Patten (generator repairs)	1998	3,856	193	20	193		851		44
45	CSI (insulate duct on air handler)	1998	2,750	183	15	183		794		45
46	CSI (repair air conditioner)	1998	1,698	170	10	170		736		46
47	CSI (replace gaskets on hot water coil)	1998	3,934	197	20	197		820		47
48	North Town Food Service (repair dish machine)	1999	1,861	186	10	186		745		48
49	Alden Bennet Construction (tank replacement)	1999	8,550	346	25	346		1,326		49
50	Patten (Fuel Tank Repairs, need invoice)	1999	1,724	172	10	172		632		50
51	Chicago Cooling Corp. (repair of unit 5, and inspection)6/99	1999	2,367	237	10	237		848		51
52	Climate Service, Inc. (replace 15 ton condenser)	1999	9,374	625	15	625		2,187		52
53	Climate Service, Inc.(replace 10 ton condenser)	1999	7,100	473	15	473		1,657		53
54	Climate Service, Inc. (compressor)	1999	7,466	498	15	498		1,701		54
55	Climate Service, Inc.(vac pump)	1999	1,644	110	15	110		365		55
56	Climate Service, Inc.(compressor maintenance)	1999	1,728	115	15	115		374		56
57	Capps Plumbing & Sewer(install trap & rodded pipes)	1999	1,835	184	10	184		596		57
58	Climate Service, Inc.(tank repair and maintenance)	1999	2,380	95	25	95		294		58
59	Shine Rite Maintenance(refinish tile floors)	1999	4,805	481	10	481		1,482		59
60	Alden Bennet Construction (tile/roofing)	2000	8,214	821	10	821		2,327		60
61	Alden Bennet Construction (tile/roofing)	2000	11,459	1,146	10	1,146		2,674		61
62										62
63										63
64										64
65										65
66										66
67										67
68										68
69										69
70	TOTAL (lines 4 thru 69)		\$ 242,177	\$ 19,547		\$ 19,547	\$	\$ 143,595		70

**Improvement type must be detailed in order for the cost report to be considered complete.

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Page 12B

Facility Name & ID Number Alden Terrace of McHenry Rehab

0040691

Report Period Beginning:

01/01/2002 Ending: 12/31/2002

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

1	2	3	4	5	6	7	8	9	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
1	Totals from Page 12A, Carried Forward		\$ 242,177	\$ 19,547		\$ 19,547		\$ 143,595	1
2	Fox Valley Fire & Safety (replace smoke detectors)	2000	3,731	373	10	373		1,026	2
3	CSI Coker Service (repair dishwasher)	2000	3,299	330	10	330		907	3
4	Welding Supply Inc (repair alarm system)	2000	2,750	275	10	275		733	4
5	Welding Supply Inc (repair alarm system)	2000	6,649	665	10	665		1,773	5
6	Systm Electric Inc (new controls for oxygen system)	2000	1,785	223	8	223		595	6
7	GT Mechanical (repair laundry compressor)	2000	2,700	270	10	270		675	7
8	CSI Coker Service (repair dishwasher)	2000	1,536	154	10	154		384	8
9	Equipment International (repair laundry equipment)	2000	1,670	167	10	167		404	9
10	GT Mechanical (repair pneumatic system compressor)	2000	2,431	243	10	243		587	10
11	Advanced Parts & Service (repair food processor)	2000	2,026	203	10	203		490	11
12	CSI Coker Service (repair boiler)	2000	5,985	599	10	599		1,297	12
13	Alden Bennett Construction	2000	8,214	821	10	821		2,327	13
14	Alden Bennett Construction (tile/flooring)	2000	11,459	1,146	10	1,146		2,674	14
15	Capps -Plumbing &2670(install new bolt flange checkvalve)	2001	1,865	124	15	124		249	15
16	Sentry Protection Systems (annual maintenance on the fire alarm a	2001	2,151	143	15	143		263	16
17	CSI- Coker Service, 039721	2001	1,523	152	10	152		279	17
18	Patten (replace with updated phase monitor)	2001	1,898	190	10	190		364	18
19	Rockford Steam(hvac work)	2001	6,562	656	10	656		1,094	19
20	GT Mechanical, Inc (repalce shaft)	2001	2,239	149	15	149		236	20
21	GT Mechanical(replace compressor)	2001	4,947	330	15	330		495	21
22	Alden Bennett Const. (lock install./repair)	2001	2,017	202	10	202		336	22
23	GT Mechanical, Inc (replace high pressure switch)	2001	2,516	168	15	168		238	23
24	CSI Coker (bldng. Improvement)	2001	1,708	114	15	114		180	24
25	Alden Bennett Const. (invoice to follow)	2001	20,742	2,074	10	2,074		3,803	25
26									26
27									27
28									28
29									29
30									30
31									31
32									32
33									33
34	TOTAL (lines 1 thru 33)		\$ 344,581	\$ 29,318		\$ 29,318		\$ 165,003	34

**Improvement type must be detailed in order for the cost report to be considered complete.

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

1	2	3	4	5	6	7	8	9	10
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
1	Totals from Page 12B, Carried Forward		\$ 344,581	\$ 29,318		\$ 29,318	\$	\$ 165,003	1
2	EQUINT Equipment International (gas dryer)	2002	3,240	81	10	81		81	2
3	AQUSER.REBUILD 2 WATER SOFTNE	2002	2,500	63	10	63		63	3
4	ALDBEN Alden Bennett Construct (need invoice)	2002	18,173	1,212	15	1,212		1,212	4
5	ENGSEC Engineered Security Sys	2002	3,091	86	15	86		86	5
6	ALDBEN Alden Bennett Construct	2002	25,143	838	15	838		838	6
7	ALDBEN Alden Bennett Construct (building improvement)	2002	3,391	151	15	151		151	7
8	TTIRRI T & T Irrigation Inc.(lawn sprinkler system)	2002	15,000	350	25	350		350	8
9	PATTEN (replace batteries of radiator & install crank case)	2002	1,517	76	15	76		76	9
10	FEMORA (REPLACED 50 SMOKE DETEC)	2002	8,364	697	10	697		697	10
11	FEMORA (REPAIR FIRE ALARM)	2002	3,374	309	10	309		309	11
12	GTMECH Gt Mechanical Inc (install new shaft & bearing).	2002	2,215	135	15	135		135	12
13	ALDBEN Alden Bennett Construct(install radar,painting & fire dr	2002	12,850	143	15	143		143	13
14	GTMECH Gt Mechanical Inc.(need supporting doc.)	2002	(2,239)						14
15									15
16									16
17									17
18									18
19									19
20									20
21									21
22									22
23									23
24									24
25									25
26									26
27									27
28									28
29									29
30									30
31									31
32									32
33									33
34	TOTAL (lines 1 thru 33)		\$ 441,201	\$ 33,458		\$ 33,458	\$	\$ 169,143	34

**Improvement type must be detailed in order for the cost report to be considered complete.

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

1	2	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
1	Totals from Page 12C, Carried Forward		\$ 441,201	\$ 33,458		\$ 33,458	\$	\$ 169,143	1
2									2
3	Related Party-Forum:								3
4	Leasehold Improvement-Remodeling	1980	19,335		20			19,334	4
5	Leasehold Improvement-Remodeling	1980	1,208		10			1,208	5
6	Leasehold Improvement-Remodeling	1986	645		5			645	6
7	Leasehold Improvement-Remodeling	1990	404		5			404	7
8	Leasehold Improvement-Remodeling	1991	94		5			94	8
9	Leasehold Improvement-Remodeling	1993	8,304	830	10	830		8,304	9
10	Leasehold Improvement-Remodeling	1993	6,504	469	9.7	469		6,504	10
11	Leasehold Improvement-sign	1994	261	22	12	22		174	11
12	Leasehold Improvement-dryvit	1995	443	44	10	44		310	12
13	Leasehold Improvement-new ac	1999	723	48	15	48		145	13
14	Leasehold Improvement-roof	1985	972	52	19	52		922	14
15	Leasehold Improvement-roof	1994	863	58	15	58		518	15
16	Leasehold Improvement-roof	1997	819	55	15	55		328	16
17	Leasehold Improvement-roof	1998	1,390	93	15	93		464	17
18	Leasehold Improvement-parking lot asphalt	2000	111	11	10	11		33	18
19	Leasehold Improvement-hallway lighting	2001	155	16	10	16		32	19
20	Leasehold Improvement-DAI	2001	195	19	10	19		38	20
21	Leasehold Improvement-bathrooms	2002	687	69	10	69		69	21
22	Leasehold Improvement-Remodeling	2002	98	20	5	20		20	22
23	Related Party-AMS:								23
24	Leasehold Improvement-Remodeling	1993	4,266		7			4,266	24
25	Leasehold Improvement-Remodeling	1994	2,112		7			2,112	25
26	Leasehold Improvement-Remodeling	2002	5,221		7				26
27									27
28									28
29									29
30									30
31									31
32	Related Party-Forum Ext. Care	1999	1,764	145	40	145		183	32
33									33
34	TOTAL (lines 1 thru 33)		\$ 497,775	\$ 35,409		\$ 35,409	\$	\$ 215,250	34

**Improvement type must be detailed in order for the cost report to be considered complete.

C. Equipment Depreciation-Excluding Transportation. (See instructions.)

	Category of Equipment	1 Cost	Current Book Depreciation 2	Straight Line Depreciation 3	4 Adjustments	Component Life 5	Accumulated Depreciation 6	
71	Purchased in Prior Years	\$ 204,187	\$ 22,384	\$ 22,384	\$		\$ 103,535	71
72	Current Year Purchases	36,081	2,339	2,339			2,339	72
73	Fully Depreciated Assets	49,702	632	632			49,702	73
74								74
75	TOTALS	\$ 289,970	\$ 25,356	\$ 25,356	\$		\$ 155,577	75

D. Vehicle Depreciation (See instructions.)*

	1 Use	Model, Make and Year 2	Year Acquired 3	4 Cost	Current Book Depreciation 5	Straight Line Depreciation 6	7 Adjustments	Life in Years 8	Accumulated Depreciation 9	
76	CAR ENGINE	:DODGE	98-'02	\$ 12,336	\$ 3,792	\$ 3,792	\$	3	\$ 9,992	76
77										77
78										78
79										79
80	TOTALS			\$ 12,336	\$ 3,792	\$ 3,792	\$		\$ 9,992	80

E. Summary of Care-Related Assets

	1 Reference	2 Amount	
81	Total Historical Cost (line 3, col.4 + line 70, col.4 + line 75, col.1 + line 80, col.4) + (Pages 12B thru 12I, if applicable)	\$ 800,081	81
82	Current Book Depreciation (line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)	\$ 64,557	82
83	Straight Line Depreciation (line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)	\$ 64,557	83 **
84	Adjustments (line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)	\$	84
85	Accumulated Depreciation (line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)	\$ 380,819	85

F. Depreciable Non-Care Assets Included in General Ledger. (See instructions.)

	1 Description & Year Acquired	2 Cost	Current Book Depreciation 3	Accumulated Depreciation 4	
86		\$	\$	\$	86
87					87
88					88
89					89
90					90
91	TOTALS	\$	\$	\$	91

G. Construction-in-Progress

	Description	Cost	
92		\$ n/a	92
93			93
94			94
95		\$	95

* Vehicles used to transport residents to & from day training must be recorded in XI-F, not XI-D.

** This must agree with Schedule V line 30, column 8.

XII. RENTAL COSTS

A. Building and Fixed Equipment (See instructions.)

1. Name of Party Holding Lease: TL Enterprises

2. Does the facility also pay real estate taxes in addition to rental amount shown below on line 7, column 4?

If NO, see instructions.

☒ YES ☐ NO

		1 Year Constructed	2 Number of Beds	3 Date of Lease	4 Rental Amount	5 Total Years of Lease	6 Total Years Renewal Option*	
3	Original Building:				\$			3
4	Additions							4
5								5
6								6
7	TOTAL				\$			7

8. List separately any amortization of lease expense included on page 4, line 34.

This amount was calculated by dividing the total amount to be amortized by the length of the lease _____.

9. Option to Buy: ☒ YES ☐ NO Terms: 80,000/bed, until 2010 *

B. Equipment-Excluding Transportation and Fixed Equipment. (See instructions.)

15. Is Movable equipment rental included in building rental?

☒ YES ☐ NO

16. Rental Amount for movable equipment: \$ 9,069 Description: copy machine lease

(Attach a schedule detailing the breakdown of movable equipment)

C. Vehicle Rental (See instructions.)

	1 Use	2 Model Year and Make	3 Monthly Lease Payment	4 Rental Expense for this Period	
17	<u>related party-Ams</u>		\$	\$ <u>19,244</u>	17
18					18
19					19
20					20
21	TOTAL		\$	\$ <u>19,244</u>	21

10. Effective dates of current rental agreement:

Beginning _____

Ending _____

11. Rent to be paid in future years under the current rental agreement:

Fiscal Year Ending Annual Rent

12. /2003 \$ 2,421,179

13. /2004 \$ 2,495,190

14. /2005 \$ 2,501,917

* If there is an option to buy the building, please provide complete details on attached schedule.

** This amount plus any amortization of lease expense must agree with page 4, line 34.

A. TYPE OF TRAINING PROGRAM (If aides are trained in another facility program, attach a schedule listing the facility name, address and cost per aide trained in that facility.)

1. HAVE YOU TRAINED AIDES DURING THIS REPORT PERIOD? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO If "yes", please complete the remainder of this schedule. If "no", provide an explanation as to why this training was not necessary. <u>Skilled nurses on sight</u>	2. CLASSROOM PORTION: IN-HOUSE PROGRAM <input type="checkbox"/> IN OTHER FACILITY <input type="checkbox"/> COMMUNITY COLLEGE <input type="checkbox"/> HOURS PER AIDE _____	3. CLINICAL PORTION: IN-HOUSE PROGRAM <input type="checkbox"/> IN OTHER FACILITY <input type="checkbox"/> HOURS PER AIDE _____
---	---	--

B. EXPENSES

ALLOCATION OF COSTS (d)

		1	2	3	4
		Facility			
		Drop-outs	Completed	Contract	Total
1	Community College Tuition	\$	\$	\$	\$
2	Books and Supplies				
3	Classroom Wages (a)				
4	Clinical Wages (b)				
5	In-House Trainer Wages (c)				
6	Transportation				
7	Contractual Payments				
8	Nurse Aide Competency Tests				
9	TOTALS	\$	\$	\$	\$
10	SUM OF line 9, col. 1 and 2 (e)	\$			

C. CONTRACTUAL INCOME

In the box below record the amount of income your facility received training aides from other facilities.

\$

D. NUMBER OF AIDES TRAINED

COMPLETED	
1. From this facility	
2. From other facilities (f)	
DROP-OUTS	
1. From this facility	
2. From other facilities (f)	
TOTAL TRAINED	

- (a) Include wages paid during the classroom portion of training. Do not include fringe benefits.
 (b) Include wages paid during the clinical portion of training. Do not include fringe benefits.
 (c) For in-house training programs only. Do not include fringe benefits.
 (d) Allocate based on if the aide is from your facility or is being contracted to be trained in your facility. Drop-out costs can only be for costs incurred by your own aides.

- (e) The total amount of Drop-out and Completed Costs for your own aides must agree with Sch. V, line 13, col. 8.
 (f) Attach a schedule of the facility names and addresses of those facilities for which you trained aides.

XIV. SPECIAL SERVICES (Direct Cost) (See instructions.)

		1	2	3	4	5	6	7	8	
	Service	Schedule V Line & Column Reference	Staff		Outside Practitioner (other than consultant)		Supplies (Actual or Allocated)	Total Units (Column 2 + 4)	Total Cost (Col. 3 + 5 + 6)	
			Units of Service	Cost	Units	Cost				
1	Licensed Occupational Therapist	39-3	hrs	\$		\$ 84,379	\$		\$ 84,379	1
2	Licensed Speech and Language Development Therapist	39-3	hrs			33,401			33,401	2
3	Licensed Recreational Therapist		hrs							3
4	Licensed Physical Therapist	39-3	hrs			115,319			115,319	4
5	Physician Care		visits							5
6	Dental Care		visits							6
7	Work Related Program		hrs							7
8	Habilitation		hrs							8
9	Pharmacy	see page 16a	# of prescrpts			33,624			33,624	9
	Psychological Services (Evaluation and Diagnosis/ Behavior Modification)		hrs							
10			hrs							10
11	Academic Education		hrs							11
12	Exceptional Care Program									12
13	Other (specify):	see page 16a				22,667			22,667	13
14	TOTAL			\$		\$ 289,390	\$		\$ 289,390	14

NOTE: This schedule should include fees (other than consultant fees) paid to licensed practitioners. Consultant fees should be detailed on Schedule XVIII-B. Salaries of unlicensed practitioners, such as nurse aides, who help with the above activities should not be listed on this schedule.

		1 Operating	2 After Consolidation*	
	A. Current Assets			
1	Cash on Hand and in Banks	\$	\$	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance <u>227,544</u>)	949,225		3
4	Supply Inventory (priced at <u> </u>)			4
5	Short-Term Investments			5
6	Prepaid Insurance	17,785		6
7	Other Prepaid Expenses	1,147		7
8	Accounts Receivable (owners or related parties)			8
9	Other(specify): <u>RE tax ecrow</u>	150,493		9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 1,118,649	\$	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land			13
14	Buildings, at Historical Cost			14
15	Leasehold Improvements, at Historical Cost	580,621		15
16	Equipment, at Historical Cost	213,015		16
17	Accumulated Depreciation (book methods)	(320,014)		17
18	Deferred Charges			18
19	Organization & Pre-Operating Costs			19
20	Accumulated Amortization - Organization & Pre-Operating Costs			20
21	Restricted Funds			21
22	Other Long-Term Assets (specify):			22
23	Other(specify): <u>investments</u>	948,000		23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ 1,421,622	\$	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 2,540,272	\$	25

		1 Operating	2 After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	\$ 558,149	\$	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits	271,236		28
29	Short-Term Notes Payable	44,719		29
30	Accrued Salaries Payable	250,840		30
31	Accrued Taxes Payable (excluding real estate taxes)	43,318		31
32	Accrued Real Estate Taxes(Sch.IX-B)	210,000		32
33	Accrued Interest Payable			33
34	Deferred Compensation			34
35	Federal and State Income Taxes			35
	Other Current Liabilities(specify):			
36	<u>Accrued expenses</u>	22,973		36
37	<u>due to affiliates</u>	3,623,408		37
38	TOTAL Current Liabilities (sum of lines 26 thru 37)	\$ 5,024,643	\$	38
	D. Long-Term Liabilities			
39	Long-Term Notes Payable	117,224		39
40	Mortgage Payable			40
41	Bonds Payable			41
42	Deferred Compensation			42
	Other Long-Term Liabilities(specify):			
43				43
44				44
45	TOTAL Long-Term Liabilities (sum of lines 39 thru 44)	\$ 117,224	\$	45
46	TOTAL LIABILITIES (sum of lines 38 and 45)	\$ 5,141,867	\$	46
47	TOTAL EQUITY (page 18, line 24)	\$ (2,601,594)	\$	47
48	TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47)	\$ 2,540,272	\$	48

*(See instructions.)

XVI. STATEMENT OF CHANGES IN EQUITY

		1 Total	
1	Balance at Beginning of Year, as Previously Reported	\$ (1,904,010)	1
2	Restatements (describe):		2
3	external audit adjustments made after 2001 cost report was		3
4	submitted. These have no effect on prior years report:	610,398	4
5	Bad debt, medicare revenues (non -allowables)		5
6	Balance at Beginning of Year, as Restated (sum of lines 1-5)	\$ (1,293,612)	6
	A. Additions (deductions):		
7	NET Income (Loss) (from page 19, line 43)	(1,307,982)	7
8	Aquisitions of Pooled Companies		8
9	Proceeds from Sale of Stock		9
10	Stock Options Exercised		10
11	Contributions and Grants		11
12	Expenditures for Specific Purposes		12
13	Dividends Paid or Other Distributions to Owners	()	13
14	Donated Property, Plant, and Equipment		14
15	Other (describe)		15
16	Other (describe)		16
17	TOTAL Additions (deductions) (sum of lines 7-16)	\$ (1,307,982)	17
	B. Transfers (Itemize):		
18			18
19			19
20			20
21			21
22			22
23	TOTAL Transfers (sum of lines 18-22)	\$	23
24	BALANCE AT END OF YEAR (sum of lines 6 + 17 + 23)	\$ (2,601,594)	24 *

* This must agree with page 17, line 47.

VII. INCOME STATEMENT (attach any explanatory footnotes necessary to reconcile this schedule to Schedules V and VI.) All required classifications of revenue and expense must be provided on this form, even if financial statements are attached.
Note: This schedule should show gross revenue and expenses. Do not net revenue against expense.

		1	
Revenue		Amount	
A. Inpatient Care			
1	Gross Revenue -- All Levels of Care	\$ 7,357,207	1
2	Discounts and Allowances for all Levels	()	2
3	SUBTOTAL Inpatient Care (line 1 minus line 2)	\$ 7,357,207	3
B. Ancillary Revenue			
4	Day Care		4
5	Other Care for Outpatients	57,127	5
6	Therapy		6
7	Oxygen		7
8	SUBTOTAL Ancillary Revenue (lines 4 thru 7)	\$ 57,127	8
C. Other Operating Revenue			
9	Payments for Education		9
10	Other Government Grants		10
11	Nurses Aide Training Reimbursements		11
12	Gift and Coffee Shop		12
13	Barber and Beauty Care	4,102	13
14	Non-Patient Meals		14
15	Telephone, Television and Radio		15
16	Rental of Facility Space		16
17	Sale of Drugs		17
18	Sale of Supplies to Non-Patients		18
19	Laboratory		19
20	Radiology and X-Ray		20
21	Other Medical Services		21
22	Laundry		22
23	SUBTOTAL Other Operating Revenue (lines 9 thru 22)	\$ 4,102	23
D. Non-Operating Revenue			
24	Contributions		24
25	Interest and Other Investment Income***	1,363	25
26	SUBTOTAL Non-Operating Revenue (lines 24 and 25)	\$ 1,363	26
E. Other Revenue (specify):****			
27	Settlement Income (Insurance, Legal, Etc.)	79,208	27
28	accounts pay. Adj/ recovery of patient accounts	7,704	28
28a			28a
29	SUBTOTAL Other Revenue (lines 27, 28 and 28a)	\$ 86,912	29
30	TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)	\$ 7,506,711	30

		2	
Expenses		Amount	
A. Operating Expenses			
31	General Services	1,305,085	31
32	Health Care	2,822,155	32
33	General Administration	1,662,177	33
B. Capital Expense			
34	Ownership	2,972,212	34
C. Ancillary Expense			
35	Special Cost Centers	389,386	35
36	Provider Participation Fee	173,010	36
D. Other Expenses (specify):			
37	Related party salary allocations	(509,332)	37
38	included on this page, but included on		38
39	page 3&4.		39
40	TOTAL EXPENSES (sum of lines 31 thru 39)*	\$ 8,814,693	40
41	Income before Income Taxes (line 30 minus line 40)**	(1,307,982)	41
42	Income Taxes		42
43	NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)	\$ (1,307,982)	43

* This must agree with page 4, line 45, column 4.

** Does this agree with taxable income (loss) per Federal Income Tax Return? not yet done If not, please attach a reconciliation.

*** See the instructions. If this total amount has not been offset against interest expense on Schedule V, line 32, please include a detailed explanation.

****Provide a detailed breakdown of "Other Revenue" on an attached sheet.

Facility Name & ID Number Alden Terrace of McHenry Rehab

0040691

Report Period Beginning: 01/01/2002

Ending:

12/31/2002

XVIII. A. STAFFING AND SALARY COSTS (Please report each line separately.)

(This schedule must cover the entire reporting period.)

		1	2**	3	4	
		# of Hrs. Actually Worked	# of Hrs. Paid and Accrued	Reporting Period Total Salaries, Wages	Average Hourly Wage	
1	Director of Nursing	1,912	2,080	\$ 60,607	\$ 29.14	1
2	Assistant Director of Nursing	2,549	2,741	68,630	25.04	2
3	Registered Nurses	31,722	34,448	824,635	23.94	3
4	Licensed Practical Nurses	12,186	13,263	272,080	20.51	4
5	Nurse Aides & Orderlies	67,146	68,572	1,062,967	15.50	5
6	Nurse Aide Trainees					6
7	Licensed Therapist					7
8	Rehab/Therapy Aides					8
9	Activity Director	1,760	1,894	25,955	13.70	9
10	Activity Assistants	8,527	9,070	72,457	7.99	10
11	Social Service Workers	2,255	2,375	33,889	14.27	11
12	Dietician					12
13	Food Service Supervisor	2,589	2,725	41,665	15.29	13
14	Head Cook					14
15	Cook Helpers/Assistants	21,937	22,717	178,056	7.84	15
16	Dishwashers					16
17	Maintenance Workers	1,880	2,080	35,696	17.16	17
18	Housekeepers	22,051	23,104	143,614	6.22	18
19	Laundry	7,953	8,636	64,118	7.42	19
20	Administrator					20
21	Assistant Administrator					21
22	Other Administrative	6,871	7,347	118,107	16.08	22
23	Office Manager	559	751	8,058	10.73	23
24	Clerical	4,223	4,263	42,777	10.03	24
25	Vocational Instruction					25
26	Academic Instruction					26
27	Medical Director					27
28	Qualified MR Prof. (QMRP)					28
29	Resident Services Coordinator	2,075	2,243	42,760	19.06	29
30	Habilitation Aides (DD Homes)					30
31	Medical Records					31
32	Other Health Care(specify)	1,827	1,899	41,913	22.07	32
33	Other(specify) ALZHEIMERS	5,397	5,765	99,833	17.32	33
34	TOTAL (lines 1 - 33)	205,419	215,973	\$ 3,237,817 *	\$ 14.99	34

* This total must agree with page 4, column 1, line 45.

** See instructions.

B. CONSULTANT SERVICES

		1	2	3	
		Number of Hrs. Paid & Accrued	Total Consultant Cost for Reporting Period	Schedule V Line & Column Reference	
35	Dietary Consultant	Monthly	\$ 6,000	1-3	35
36	Medical Director	Monthly	14,400	9-3	36
37	Medical Records Consultant				37
38	Nurse Consultant				38
39	Pharmacist Consultant	Monthly	7,584	10-3	39
40	Physical Therapy Consultant				40
41	Occupational Therapy Consultant				41
42	Respiratory Therapy Consultant				42
43	Speech Therapy Consultant				43
44	Activity Consultant	51	2,711	11-3	44
45	Social Service Consultant	12	648	11-3	45
46	Other(specify) Psycho-social cons	6	337	11-3	46
47					47
48					48
49	TOTAL (lines 35 - 48)	69	\$ 31,680		49

C. CONTRACT NURSES

		1	2	3	
		Number of Hrs. Paid & Accrued	Total Contract Wages	Schedule V Line & Column Reference	
50	Registered Nurses		\$		50
51	Licensed Practical Nurses				51
52	Nurse Aides				52
53	TOTAL (lines 50 - 52)		\$		53

Facility Name & ID Number Alden Terrace of McHenry Rehab

0040691

Report Period Beginning: 01/01/2002

Ending: 12/31/2002

XIX. SUPPORT SCHEDULES

A. Administrative Salaries			D. Employee Benefits and Payroll Taxes			F. Dues, Fees, Subscriptions and Promotions		
Name	Function	Ownership %	Amount	Description	Amount	Description	Amount	
			\$	Workers' Compensation Insurance	\$ 75,949	IDPH License Fee	\$	
				Unemployment Compensation Insurance	21,714	Advertising: Employee Recruitment		
				FICA Taxes	249,754	Health Care Worker Background Check		
Tumulak, D	Administrator	0	79,763	Employee Health Insurance	43,846	(Indicate # of checks performed _____)		
				Employee Meals	41,051			
Executive Management	Administrator	0	87,550	Illinois Municipal Retirement Fund (IMRF)*		Surety Bond Fees, Dues & Subscriptions	1,291	
				Related party - FECH	607	II Health Care Assoc	11,504	
				Dental, Life, Relations, Misc.	583	Related party-ams	434	
				Background Cks., Drug Test, 401K, Vaccin.	4,636			
				Related party - Ams	66,663			
						Less: Public Relations Expense	()	
						Non-allowable advertising	()	
						Yellow page advertising	()	
TOTAL (agree to Schedule V, line 17, col. 1)			\$ 167,313					
(List each licensed administrator separately.)				TOTAL (agree to Schedule V,	\$ 504,802	TOTAL (agree to Sch. V,	\$ 13,229	
				line 22, col.8)		line 20, col. 8)		
B. Administrative - Other								
Description			Amount	E. Schedule of Non-Cash Compensation Paid		G. Schedule of Travel and Seminar**		
			\$	to Owners or Employees		Description	Amount	
						Out-of-State Travel	\$	
				Description	Line #			
						In-State Travel		
						Auto/Gas/ Repairs/Misc	269	
						Related party-ams	12,934	
						Seminar Expense		
						Comprehneisve Therapeutics	1,000	
						O.C.C. / Life Serv. Network	560	
						Professional Infusion / Other	1,375	
						Entertainment Expense	()	
						(agree to Sch. V,		
TOTAL (agree to Schedule V, line 17, col. 3)			\$	TOTAL	\$	line 24, col. 8)	\$ 16,138	
(Attach a copy of any management service agreement)								
C. Professional Services								
Vendor/Payee	Type		Amount					
AMS	Management Fees		\$ 627,225					
BDO Seidman	Accounting Fees		13,510					
Ken Fisch / Greenberg	Legal Fees		18,377					
D. Stinespring /J. Hermann	Legal Services		356					
Ryan Group, Inc / Orsini Nursing	Professional Fees		3,271					
Medi.Com	Billing Consultants		729					
U S Gas & Energy Corp.	Utilities		2,607					
Talx	Workers Comp Consulting		240					
TOTAL (agree to Schedule V, line 19, column 3)			\$					
(If total legal fees exceed \$2500 attach copy of invoices.)			\$ 666,315					

* Attach copy of IMRF notifications

**See instructions.

1	2	3	4	5	6	7	8	9	10	11	12	13		
	Improvement Type	Month & Year Improvement Was Made	Total Cost	Useful Life	Amount of Expense Amortized Per Year									
						FY1999	FY2000	FY2001	FY2002	FY2003	FY2004	FY2005	FY2006	
1	Belts and defrost timer	5/97	\$ 1,608	3	\$	\$ 536	\$ 179	\$	\$	\$	\$	\$	\$	
2	Hot Water mixing Valve	6/97	2,886	3		962	401							
3	Repair A/C	7/97	1,593	3		531	265							
4	Boiler repair	10/97	1,505	3		502	36							
5	Painting	10/97	15,609	3		5,203	3,902							
6	Sink/valve replacement	2/98	1,961	3		654	654	54						
7	A/C air handlers	4/98	1,733	3		578	578	144						
8	Painting	3/98	7,492	3		2,497	2,497	416						
9	Painting	6/98	4,628	3		1,543	1,543	643						
10	Painting	9/98	2,651	3		884	884	589						
11	Painting	12/98	9,008	3		3,003	3,003	2,752						
12	Tank Repair	4/99	1,925	3		481	642	642	160					
13	Painting	7/99	8,432	3		1,405	2,811	2,811	1,405					
14	Painting	7/00	8,926	3			1,488	2,975	2,975	1,487				
15	Repair HVAC	1/00	1,626	3			542	542	542	0				
16	Paving/Wallcover	9/00	8,309	3			923	2,770	2,770	1,847				
17	Painting/Wallcover	9/00	7,654	3			850	2,551	2,551	1,701				
18	Bolt Flange/Check valve	1/01	1,865	3				622	622	622				
19	Fire Alarm Maint	3/01	2,151	1				1,793	359					
20	TOTALS		\$ 91,562		\$	\$ 18,779	\$ 21,198	\$ 19,303	\$ 11,383	\$ 5,657	\$	\$	\$	

XIX-H. SUPPORT SCHEDULE - DEFERRED MAINTENANCE COSTS (which have been included in Sch. V, line 6, col. 3).

(See instructions.)

1	2	3	4	5	6	7	8	9	10	11	12	13		
	Improvement Type	Month & Year Improvement Was Made	Total Cost	Useful Life	Amount of Expense Amortized Per Year									
						FY1999	FY2000	FY2001	FY2002	FY2003	FY2004	FY2005	FY2006	
1	Replace phase monitor	02/01	\$ 1,898	3	\$	\$		\$ 527	\$ 633	\$ 633	\$ 106	\$	\$	\$
2	Replace shaft	06/01	2,239	5				261	448	448	448	448	187	0
3	Replace pressure switch	0701	2,516	5				252	503	503	503	503	251	0
4	Coker	03/01	1,523	5				228	305	305	305	305	77	0
5	Totals from page 22		45,666			4,625	2,285	1,268	1,268	1,268	1,268	1,268	369	0
6	Totals from page 22A		91,562			18,779	21,198	19,303	11,383	5,657	0	0	0	0
7														
8														
9														
10														
11														
12														
13														
14														
15														
16														
17														
18														
19														
20	TOTALS		\$ 145,404		\$	\$ 23,404	\$ 23,483	\$ 21,840	\$ 14,539	\$ 8,814	\$ 2,630	\$ 2,524	\$ 884	\$

Facility Name & ID Number Alden Terrace of McHenry Rehab

STATE OF ILLINOIS

0040691

Report Period Beginning: 01/01/2002

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Ending: 12/31/2002

XX. GENERAL INFORMATION:

- (1) Are nursing employees (RN, LPN, NA) represented by a union? no
- (2) Are there any dues to nursing home associations included on the cost report? yes
If YES, give association name and amount. IL Healthcare Assoc. \$11504
- (3) Did the nursing home make political contributions or payments to a political action organization? yes If YES, have these costs been properly adjusted out of the cost report? yes
- (4) Does the bed capacity of the building differ from the number of beds licensed at the end of the fiscal year? no If YES, what is the capacity? _____
- (5) Have you properly capitalized all major repairs and equipment purchases? _____
What was the average life used for new equipment added during this period? _____
- (6) Indicate the total amount of both disposable and non-disposable diaper expense and the location of this expense on Sch. V. \$ 35,991 Line 10
- (7) Have all costs reported on this form been determined using accounting procedures consistent with prior reports? yes If NO, attach a complete explanation. _____
- (8) Are you presently operating under a sale and leaseback arrangement? no
If YES, give effective date of lease. _____
- (9) Are you presently operating under a sublease agreement? _____ YES X NO
- (10) Was this home previously operated by a related party (as is defined in the instructions for Schedule VII)? YES _____ NO X If YES, please indicate name of the facility, IDPH license number of this related party and the date the present owners took over. _____
- (11) Indicate the amount of the Provider Participation Fees paid and accrued to the Department of Public Aid during this cost report period. \$ 173,010
This amount is to be recorded on line 42 of Schedule V.
- (12) Are there any salary costs which have been allocated to more than one line on Schedule V for an individual employee? no If YES, attach an explanation of the allocation. _____
- (13) Have costs for all supplies and services which are of the type that can be billed to the Department of Public Aid, in addition to the daily rate, been properly classified in the Ancillary Section of Schedule V? yes
- (14) Is a portion of the building used for any function other than long term care services for the patient census listed on page 2, Section B? no For example, is a portion of the building used for rental, a pharmacy, day care, etc.) If YES, attach a schedule which explains how all related costs were allocated to these functions.
- (15) Indicate the cost of employee meals that has been reclassified to employee benefits on Schedule V. \$ 41,051 Has any meal income been offset against related costs? no Indicate the amount. \$ n/a
- (16) Travel and Transportation
a. Are there costs included for out-of-state travel? no
If YES, attach a complete explanation.
b. Do you have a separate contract with the Department to provide medical transportation for residents? no If YES, please indicate the amount of income earned from such a program during this reporting period. \$ _____
c. What percent of all travel expense relates to transportation of nurses and patients? _____
d. Have vehicle usage logs been maintained? n/a
e. Are all vehicles stored at the nursing home during the night and all other times when not in use? n/a
f. Has the cost for commuting or other personal use of autos been adjusted out of the cost report? n/a
g. Does the facility transport residents to and from day training? no
Indicate the amount of income earned from providing such transportation during this reporting period. \$ n/a
- (17) Has an audit been performed by an independent certified public accounting firm? yes
Firm Name: BDO Seidman, LLP The instructions for the cost report require that a copy of this audit be included with the cost report. Has this copy been attached? no If no, please explain. not yet available
- (18) Have all costs which do not relate to the provision of long term care been adjusted out of Schedule V? yes
- (19) If total legal fees are in excess of \$2500, have legal invoices and a summary of services performed been attached to this cost report? yes
Attach invoices and a summary of services for all architect and appraisal fees.